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Attention:

Subject: (Quotation for the Development of a Transistorized Battery Operated Radio Set.)

Reference: Your letter dated 28 February 1955

Enclosures: (1) Quotation 591-7 (4 copies)
 (2) Price Analysis (4 copies)
 (3) Technical Proposal No. 639 (4 copies)

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Gentlemen:

We are submitting herewith our cost plus fixed fee proposal, consisting of enclosures one (1) through three (3) above, on the development and furnishing of ten (10) transistorized battery operated radio sets to cover the frequency range of 12 to 30 megacycles, and associated bill of materials, manufactured drawings, operating and maintenance manuals, and progress reports.

Our proposal is presented in two (2) options. Option I contemplates delivery of the equipment in accordance with specifications RR-11BB development specification, and RR-11BB development test specification, with minor exceptions as set forth in the attached technical proposal (enclosure 3).

Because of our experience on contract RD-71 we are also able to propose an additional option. Under this option we propose to submit only tuners, and to make necessary modifications to the RR-11AA receiver developed under contract RD-71, to extend the operating range from 12 to 30 megacycles. This option would effect a considerable saving in equipment and associated drawings and manuals, while maintaining reliability in operation, and interchangeability of equipment. This desirable interchangeability feature could also be effected on any future production order and would result in a considerable saving to the government. In addition to the saving in cost, we anticipate that two (2) months can be cut from the delivery time if Option 2 is invoked.

We trust that our proposal possesses sufficient detail for your purposes, however, we would be pleased to enlarge on any aspect of our proposal if it would be helpful to you.

Very truly yours,

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 Vice President - Sales

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We offer the following quotation for acceptance within 30 days from this date.

Date March 23, 1955

<u>Item</u>	<u>Quantity</u>	<u>Description</u>	<u>Cost</u>
1	10	Prototypes Transistorized Battery Operated Radio Sets per T.P. 639	\$ 61,866
2	2 sets one of which is re-producible	Bill of Material	Included in the Cost of Item 1
	2 sets one of which is re-producible	Manufacturing drawings or sketchings suitable for preparation of manufacturing drawings	Included in the Cost of Item 1
4	15 copies	Operating and maintenance manual	Included in the Cost of Item 1
5	5 copies	Progress Reports	Included in the Cost of Item 1
		Total Cost	\$ 61,866
		Fixed Fee @ 8%	<u>4,949</u>
		Cost Plus Fixed Fee	\$ 66,815

Delivery: F. O. B. Alexandria, Virginia
 Item 1 - 12 months after approval to proceed has been received
 Item 2 through 4 - concurrent with Item 1
 Item 5 - on a monthly basis

Conditions: 1. Government furnished equipment as set forth in Section 9 of Technical Proposal No. 639.

2. Approval of overtime premium not to exceed \$555.00.

3. The award contain the terms, clauses, and conditions of RD-71 insofar as applicable.

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TO:

591-7
Option II~~SECRET~~

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We offer the following quotation for acceptance
within 30 days from this date.

Date March 23, 1955

<u>Item</u>	<u>Quantity</u>	<u>Description</u>	<u>Cost</u>
1	10	Prototype tuners together with modifications to RR-11AA.	\$ 43,711
2	Same as Option I		Included in the price of Item 1
	Same as Option I		Included in the price of Item 1
4	Same as Option I		Included in the price of Item 1
5	Same as Option I		Included in the price of Item 1
		Total Cost	\$ 43,711
		Fixed Fee @ 8%	<u>3,497</u>
		Cost Plus Fixed Fee	\$ 47,208

Delivery: F. O. B. Alexandria, Virginia

Item 1 - 10 months after approval to proceed has been received
Item 2 through 4 - concurrent with Item 1
Item 5 - on a monthly basis

Conditions:

1. Government loaned equipment per section 10 of TP 693.
2. Approval of overtime premium not to exceed \$417.
3. The award contain the terms, clauses and conditions of RD-71 insofar as applicable.

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() Government Sales Manager, Hq.

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Option 1

<u>Description</u>			<u>Total</u>
<u>Direct Labor</u>	<u>Man Months</u>	<u>Amount</u>	
Section Engineer	3.8	837	\$ 3,181
Project Engineer	10	655	6,550
Senior Engineer	11	520	5,720
Junior Engineer	9	421	3,789
Technician	6	304	1,824
Model Shop Man	10.3	418	4,305
Design Draftsman	2.7	488	1,318
Detail Draftsman	2.7	272	734
Process Writers	1	340	340
Total	56.5		\$ 27,761
Overtime Premium			555
Burden (9,775 hrs. @ \$2.28)			22,287
Material			6,228
Travel			200
Publications			642
Machine Time			320
Total Cost less G & A			\$ 57,993
G & A (6.678% of Cost)			3,873
Total Cost including G & A			\$ 61,866
Fixed Fee (8% of Cost)			4,949
Cost Plus Fixed Fee			\$ 66,815

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Option II

<u>Description</u>	<u>Man Months</u>	<u>Amount</u>	<u>Total</u>
<u>Direct Labor</u>			
Section Engineer	2.8	837	\$ 2,344
Project Engineer	8.5	655	5,568
Senior Engineer	9	520	4,680
Junior Engineer	5	421	2,105
Technician	3	304	912
Model Shop Man	7	418	2,926
Design Draftsman	2.7	488	1,318
Detail Draftsman	2.7	272	734
Process Writers	<u>.7</u>	<u>340</u>	<u>238</u>
Total	41.4		\$ 20,825
Overtime Premium			417
Burden (7,162 hrs. @ \$2.28)			16,329
Material			2,584
Travel			200
Publications			300
Machine Time			<u>320</u>
Total Cost less G & A			\$ 40,975
G & A (6.678% of Cost)			<u>2,736</u>
Total Cost including G & A			\$ 43,711
Fixed Fee (8% of Cost)			<u>3,497</u>
Cost Plus Fixed Fee			\$ 47,208

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